

**UNITED STATES DISTRICT COURT
DISTRICT OF MARYLAND**

CHAMBERS OF
CATHERINE C. BLAKE
UNITED STATES DISTRICT JUDGE

U.S. COURTHOUSE
101 WEST LOMBARD STREET
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March 11, 2005

Re: MDL-15861-*In re Mutual Funds Investment Litigation*

Dear Counsel:

I have reviewed the memoranda and heard oral argument with my colleagues concerning class plaintiffs' motion to lift the PSLRA discovery stay and defendants' cross-motion to extend the discovery stay to non-PSLRA claims. I also have reviewed the letter ruling issued by Judge Motz on March 7, 2005.

I agree with the reasoning stated by Judge Motz. It is my understanding that the fund defendants in my subtrack (Excelsior, Federated, and Scudder) are not currently involved in any regulatory settlement process.¹ Accordingly, I do not find the kind of prejudice to the plaintiffs that warrants lifting the PSLRA discovery stay before motions to dismiss are resolved. Like Judge Motz, however, I believe that the defendants should begin now to compile documents for production so that discovery may proceed promptly on any claims that survive the motions to dismiss. Accordingly, to the extent such documents are now in existence or are created in the future, the fund defendants in this subtrack should compile the same documents, subject to the same conditions, as the Alger defendants have been directed to do by Judge Motz.

I also find that, in this particular litigation, the interests of having all plaintiffs on the same discovery schedule and the interests of avoiding some of the cost of discovery until a determination is made as to which, if any, claims will survive motions to dismiss, warrant in the exercise of my discretion extending the discovery stay to the non-PSLRA claims.

¹ Counsel should advise me if that understanding is not correct.

Accordingly, the plaintiffs' motion to lift the discovery stay is **Denied**, and the defendants' motion to extend the stay is **Granted**, except as to the compilation requirements stated above.²

Despite the informal nature of this letter, it is an Order of the Court and shall be docketed as such.

Sincerely yours,

/s/

Catherine C. Blake
United States District Judge

² The court nonetheless encourages the initiation or continuation of any voluntary sharing of information that might assist the parties in resolving these claims.